

Männedorf, 7 April 2004

## MEDIA INFORMATION

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### EMS Group:

### Business developing within expectations

First-quarter report 2004 (January – March 2004)

### Summary

With its companies combined in EMS-CHEMIE HOLDING AG and global activities in the fields of **Performance Polymers**, **Fine Chemicals** and **Engineering**, the EMS Group reports first-quarter 2004 net sales up 5.0% over the corresponding period 2003.

Consolidated **net sales** in Swiss francs were boosted by 5.0% to CHF 317 million (302), an increase of 1.8% in local currencies. Higher sales volumes and successful implementation of the cost-cutting programme had a positive impact on net sales and operating income.

Further growth was achieved in main segment Performance Polymers, whilst net sales in the segments Fine Chemicals and Engineering declined.

For 2004 and on a comparable basis, EMS continues to expect net sales and operating income on a slightly higher level.

**Development of EMS Group net sales January – March 2004 compared with the previous year**

<b>Net sales in CHF millions</b>	<b>2004 (Jan-Mar)</b>	<b>In local currencies</b>	<b>2003 (Jan-Mar)</b>
<b>Total EMS Group</b>	<b>317</b>		<b>302</b>
Change against prev. year	+5.0%	+1.8%	-1.0%
- <b>Performance Polymers</b>	<b>253</b>		<b>235</b>
Change against prev. year	+7.7%	+4.6%	+4.0%
- <b>Fine Chemicals</b>	<b>42</b>		<b>43</b>
Change against prev. year	-2.3%	-5.5%	-12.2%
- <b>Engineering</b>	<b>22</b>		<b>24</b>
Change against prev. year	-8.3%	-12.1%	-20.0%

All business units within the **PERFORMANCE POLYMERS** business area were able to meet their planned growth targets. Volumes developed positively in spite of world-wide reticence of the customer industries in general and the automobile industry in particular. Operating independently since the beginning of 2004, the four EMS-GRIVORY business units (metal substitution) report a highly satisfactory course of business.

In the **FINE CHEMICALS** business area, EMS-PRIMID (weather-resistant PMC hardeners) developed as expected. Exclusive synthesis specialist EMS-DOTTIKON felt the effect of the excess capacities that remain a feature of this market.

In the **ENGINEERING** business area, the combination of sluggish business in the automobile sector and the industry's cautious approach to investment in the safety field had an unhelpful effect also on EMS-PATVAG as manufacturer of airbag triggering systems. Plant builder INVENTA-FISCHER was again able to secure numerous major contracts. However, the development of first-quarter 2004 sales was affected by delays imposed by customers in 2003 on the realisation of their investment projects.

## Outlook

With a view to achieving the planned growth in the Performance Polymers segment in particular, EMS is further intensifying its efforts to promote and develop speciality products.

Overall for 2004, and on a comparable basis, EMS continues to expect net sales and operating income results to be slightly higher than those of the previous year.

## Schedule

EMS publishes its net sales figures on a quarterly basis, and the consolidated net sales and income results every half and full year.

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|---|---------------------|
| – Media conference / first-half results | 9 July 2004         |
| – General meeting                       | 14 August 2004      |
| – Third-quarter report 2004             | end of October 2004 |
| – Annual results 2004                   | February 2005       |